

House Study Bill 212 - Introduced

HOUSE FILE _____

BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON SANDS)

A BILL FOR

1 An Act modifying provisions applicable to the renewable energy
2 tax credit, and including effective date and retroactive
3 applicability provisions.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 476C.3, subsection 4, paragraph b, Code
2 2015, is amended to read as follows:

3 b. The maximum amount of energy production capacity
4 equivalent of all other facilities the board may find eligible
5 under this chapter shall not exceed a combined output of
6 fifty-three megawatts of nameplate generating capacity and
7 one hundred sixty-seven billion British thermal units of heat
8 for a commercial purpose. Of the maximum amount of energy
9 production capacity equivalent of all other facilities found
10 eligible under this chapter, no more than ten megawatts of
11 nameplate generating capacity or energy production capacity
12 equivalent shall be allocated to any one facility. Of the
13 maximum amount of energy production capacity equivalent of all
14 other facilities found eligible under this chapter, fifty-five
15 billion British thermal units of heat for a commercial purpose
16 shall be reserved for an eligible facility that is a refuse
17 conversion facility for processed, engineered fuel from a
18 multicounty solid waste management planning area. The maximum
19 amount of annual energy production capacity the board may find
20 eligible for a single refuse conversion facility is fifty-five
21 billion British thermal units of heat for a commercial purpose.

22 Sec. 2. Section 476C.5, Code 2015, is amended to read as
23 follows:

24 **476C.5 Certificate issuance period.**

25 A producer or purchaser of renewable energy ~~may~~ shall
26 receive renewable energy tax credit certificates for a ten-year
27 period for each eligible renewable energy facility under this
28 chapter. The ten-year period for issuance of the tax credit
29 certificates begins with the date the purchaser of renewable
30 energy first purchases electricity, hydrogen fuel, methane
31 gas or other biogas used to generate electricity, or heat for
32 commercial purposes from the eligible renewable energy facility
33 for which a tax credit is issued under this chapter, or the
34 date the producer of the renewable energy first uses the energy
35 produced by the eligible renewable energy facility for on-site

1 consumption. Renewable energy tax credit certificates shall
2 not be issued for renewable energy purchased or produced for
3 on-site consumption after December 31, 2026.

4 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of
5 immediate importance, takes effect upon enactment.

6 Sec. 4. RETROACTIVE APPLICABILITY. This Act applies
7 retroactively to January 1, 2014, for applications for a
8 renewable energy tax credit received by the board on or after
9 that date.

10 EXPLANATION

11 The inclusion of this explanation does not constitute agreement with
12 the explanation's substance by the members of the general assembly.

13 This bill modifies provisions applicable to the renewable
14 energy tax credit.

15 Currently, Code section 476C.3, subsection 4, specifies that
16 the maximum amount of energy production capacity the board
17 may find eligible for a single refuse conversion facility is
18 55 billion British thermal units of heat for a commercial
19 purpose. The bill provides that this maximum amount is an
20 annual maximum.

21 Additionally, current Code section 476C.5 provides that
22 the renewable energy tax credit may be received for a 10-year
23 period for an eligible renewable energy facility. The bill
24 deletes the word "may" and substitutes that the credit "shall"
25 be received for a 10-year period.

26 The bill takes effect upon enactment and is retroactively
27 applicable to January 1, 2014, for applications for a renewable
28 energy tax credit received by the Iowa utilities board on or
29 after that date.